

## **PRESS RELEASE**

## Internal Revenue Service - Criminal Investigation Chief Richard Weber

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IRS – Criminal Investigation

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## Gunsmoke Gun Shop Owner and Former Discovery Channel Star Indicted and Arrested for Conspiracy, Dealing in Firearms without a License and Tax Related Charges

Richard Wyatt, 52, of Evergreen, Colorado, surrendered to authorities today on charges of conspiracy, dealing in firearms without a license and tax related charges, U.S. Attorney John Walsh for the District of Colorado, Special Agent in Charge Stephen Boyd for the Internal Revenue Service (IRS) – Criminal Investigations (CI) Denver Division and Special Agent in Charge Ken Croke for the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) Denver Field Division announced. Wyatt will make his initial appearance before U.S. Magistrate Judge Kristen L. Mix today, where he will be advised of his rights and the charges pending against him. Wyatt was the subject of a 13-count federal grand jury indictment in Denver, Colorado, returned on Feb. 9, 2016.

According to the indictment, Wyatt allegedly illegally sold firearms and he also failed to report over \$1.1 million in income. Wyatt operated Gunsmoke, a store in Wheat Ridge, Colorado, that displayed firearm and firearm accessories for sale. Wyatt was the principal decision maker for the store and controlled the store's bank account. In addition to holding itself out as a business that bought and sold firearms, Gunsmoke provided gunsmithing services. Wyatt aggressively publicized his business by posting videos on YouTube and by appearing in a reality television series that appeared on the Discovery Channel. The reality TV show aired from 2011 through 2012, showing a total of 26 episodes.

On Feb. 17, 2012, Wyatt conspired with others known to the grand jury but not named, to deal in firearms without a license. In April 2012, the defendant surrendered his Federal Firearms License (FFL) due to his violations of federal laws and regulations. After Gunsmoke surrendered its FFL, Gunsmoke changed the address of a store known as Triggers Firearms LLC (Triggers), a federal firearms license, to the Gunsmoke address, although they did not play any role in managing the store or receive any profits. Thereafter, Wyatt continued to operate Gunsmoke as a retail firearms store that also offered gunsmithing services, but never held an ownership interest in Triggers or assumed management of Triggers. Wyatt and other conspirators submitted false paperwork to the ATF to hide that Triggers was acting as a straw licensee for Gunsmoke.

After losing his FFL, the defendant did not apply for or obtain a license to sell firearms from the Gunsmoke premises. Wyatt held a meeting the day before losing his license with his

employees to describe how he wanted the business to continue to run. During April 1, 2013 to March 31, 2015, no other person was licensed to engage in the business of dealing in firearms at Gunsmoke, Wyatt directed Gunsmoke employees to enter firearm sales in Gunsmoke's computer point of sales software system as "miscellaneous" sales rather than firearm sales. Customers who shopped at Gunsmoke were able to look at numerous firearms that were displayed throughout the store. Customers were able to speak with Gunsmoke employees, including Wyatt, about the features of particular firearms. Finally, customers selected and purchased firearms from Gunsmoke and were able to have gunsmithing services performed on firearms at the Gunsmoke premises. After receiving payment for any firearms, Gunsmoke employees directed the customers to another firearm store which had a valid federal firearms license, where the customer filled out the background check paperwork and the customers took possession of the firearm(s) they had purchased at Gunsmoke. Customers who wanted gunsmithing services left their firearms with Gunsmoke. After the gunsmiths at Gunsmoke completed their work, they returned the firearms to the customers. The customers paid Gunsmoke directly for this service. Wyatt, without the FFL license, continued to order new guns for sale to keep the business going.

In addition to the alleged firearms violations, Wyatt failed to pay personal income tax in years 2009, when he made approximately \$290,000, in 2010, when he made approximately \$123,000, and in 2012, when he made approximately \$689,000. Further, in 2010, 2011 and 2012, Wyatt failed to pay corporate taxes. In 2012, Wyatt willfully filed a tax return he knew to be false, stating that he lost money, when in fact he made at least \$184,000 that he failed to disclose. The defendant also faces an asset forfeiture count, including but not limited to the forfeiture of firearms and ammunition involved in the commission of the alleged crimes.

Wyatt faces two counts of conspiracy, with each count carrying a penalty of not more than five years in federal prison and up to a \$250,000 fine. He faces three counts of dealing in firearms without a license, with each count carrying a penalty of not more than five years in federal prison and up to a \$250,000 fine. The defendant faces one count of filing a false tax return, which carries a penalty of not more than three years in federal prison and up to a \$100,000 fine. Lastly, Wyatt faces seven counts of failure to file a tax return, each count of which carries a penalty of not more than one year in federal prison and up to a \$25,000 fine.

This case was investigated by the IRS-CI and the ATF. The defendant is being prosecuted by Assistant U.S. Attorneys Suneeta Hazra and Anna Edgar, with Assistant U.S. Attorney Tonya Andrews assisting on the asset forfeiture.

The charges contained in this indictment are allegations and the defendant is presumed innocent unless and until proven guilty.